Tar: \$5# 24481

CENED AMO: OF

Barry T. Smitherman

Donna L. Nelson Commissioner

Kenneth W. Anderson, Jr. Commissioner



Rick Perry

Public Utility Commission of Texas

September 16, 2010

Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 12th Street, S. W., Room TW-A306 Washington, D.C. 20554

Karen Majcher Vice President, High Cost & Low Income Division Universal Service Administrative Company 2000 L Street, N.W., Suite 200 Washington, D.C. 20036

RE: State Rate Comparability Review and Certification for Non-Rural ILECs, CC Docket No. 96-45

To the Filing Representatives:

Pursuant to 47 C.F.R. § 54.316,¹ the Public Utility Commission of Texas (Texas PUC) certifies that the rural residential rates charged by SBC Texas and Verizon² as of July 1, 2010 were below the Federal Communication Commission's nationwide urban benchmark of \$36.52.

Therefore, for purposes of § 254(b)(3) of the Federal Telecommunications Act, the Texas PUC certifies that the rural residential rates charged by SBC Texas and Verizon are lower than urban rates nationwide, and therefore they satisfy the "reasonable comparable" standard.

If there are any questions regarding this matter, please contact Liz Kayser in our Competitive Markets Division, (512) 936-7390.

Respectfully submitted

Jess Totten

Director

Competitive Markets Division

² SBC Texas and Verizon are the two non-rural incumbent local exchange carriers (ILECs) in Texas.

¹ See *In re Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order, Appendix A (rel. Oct. 27, 2003).